

# AMERICAN SAMOA STATISTICS NEWS



**Subject: American Samoa Consumer Price Index – 1<sup>st</sup> Quarter 2019**

Release Date: April 8, 2019  
Director's Approval: 

The All Items Index of Goods and Services measured by the Consumer Price Index in the first quarter of 2019 is registered at 103.3 points: a quarterly decrease of -0.4% and an annual inflation rate of 0.9%.

**Quarterly movements of Major CPI Groups:**

**Food Group** decreased by -0.2% in this quarter due to dropped costs of meat products such as whole chicken, chicken wings/legs, turkey tail, hamburger, sausage and pigs feet. Other food commodities such as mayonnaise, sugar, canned tuna, instant/canned coffee, tea bags, local bananas/taro, imported fruits as well as eggs, milk and butter contributed to the decrease in this group.

**Alcoholic Beverage Group** increased by 0.7%. The high cost of Wine contributed to the increase. Beer slightly increased as well.

**Housing Group** registered a -0.4% quarterly decrease caused by the drop in fuel surcharges in cost of electricity and water. Lower cost of gas tanks, construction materials, appliances such as microwave oven and freezer also contributed to the decline in the Housing group.

**Apparel Group Transportation Group** increased by 0.3% by reason of increase in t-shirts, baby wipes and footwear for men.

**Transportation** recorded the largest quarterly decrease of -2.9% in this quarter due to lower costs of unleaded gas, diesel and dropped airfares for the Pago to Manu'a route.

**Medical Care Group** remained at 0.0% with no fluctuations or changes in price.

**Recreation Group** increased by 0.1%. The cost of both cat food and bingo papers went up.

**Education and Communication Group** remained the same at 0.0% with no increase or decrease in tuition and school supplies.

**Other Goods and Services Group** increased by 0.7 percent due to high cost of Tobacco and Hygiene products such as deodorant, hair shampoo and laundry detergents.

AMERICAN SAMOA CONSUMER PRICE INDEXES 1ST QUARTER 2019					
	1ST Quarter 2019	4TH Quarter 2018	1ST Quarter 2018	Quarterly Percent Change	Annual Percent Change
All Items	103.3	103.7	102.4	-0.4	0.9
Food	106.3	106.5	105.0	-0.2	1.2
Alcoholic Beverages	103.0	102.3	97.4	0.7	5.7
Housing	102.5	102.9	101.2	-0.4	1.3
Apparel	101.0	100.7	100.6	0.3	0.4
Transportation	103.4	106.5	103.9	-2.9	-0.5
Medical Care	99.9	99.9	99.4	0.0	0.5
Entertainment (Recreation)	100.8	100.7	100.0	0.1	0.8
Education and Communications	97.8	97.8	100.0	0.0	-2.2
Other Goods and Services	100.8	100.1	100.8	0.7	0.0

For more information please contact the Department of Commerce – Statistics Division at 633-5155 or email [americansamoastatistics@doc.as](mailto:americansamoastatistics@doc.as)





## CONSUMER PRICE INDEX NEWSLETTER

DEPARTMENT OF COMMERCE - STATISTICS DIVISION

CPI — 1ST QUARTER, 2019



VOLUME : 1 - ISSUE 17-08

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Groups	1st Qtr 2019	4th Qtr 2019	1st Qtr 2018	Quarterly Percent Change from Q4 2018 to Q1 2019	Annual Percent Change Q1 2018 to Q1 2019
All Items Index	103.3	103.7	102.4	-0.4	0.9
Food	106.3	106.5	105.0	-0.2	1.2
Alcoholic Beverages	103.0	102.3	97.4	0.7	5.7
Housing	102.5	102.9	101.2	-0.4	1.3
Apparel	101.0	100.7	100.6	0.3	0.4
Transportation	103.4	106.5	103.9	-2.9	-0.5
Medical Care	99.9	99.9	99.4	0.0	0.5
Recreation	100.8	100.7	100.0	0.1	0.8
Education and Communication	97.8	97.8	100.0	0.0	-2.2
Other Goods and Services	100.8	100.1	100.8	0.7	0.0

## Annual Group Change %

INFLATION RATE	0.9
FOOD	1.2
ALCO- BEV.	5.7
HOUSING	1.3
APPAREL	0.4
TRANSPORTATION	-0.5
MEDICAL CARE	0.5
RECREATION	0.8
EDUCATION	-2.2
OTHER	0.0

## POINT OF INTEREST

To compare the revised index to the old index, a statistical computation is done to harmonized the two systems. The old index is translated to the new revision therefore, the Fourth Quarter Index of 135.4 points under the 2007 base is the same as 100 points in the revised index of Fourth Quarter 2016. This is done throughout the sub-group indices.

## ANNUAL RATE OF INFLATION:

The Annual Rate of Inflation (ARI) for the first quarter of 2019 is 0.9%.

## QUARTERLY INDEX COMPARISON

## GROUP 1: Food

Food Group decreased by -0.2% in this quarter due to dropped costs of meat products such as whole chicken, chicken wings/legs, turkey tail, hamburger, sausage and pigs feet. Other food commodities such as mayonnaise, sugar, canned tuna, instant/canned coffee, tea bags, local bananas/taro, imported fruits as well as eggs, milk and butter contributed to the decrease in this group.

## GROUP 4: Apparel

Apparel Group increased by 0.3% by reason of increase in t-shirts, baby wipes and footwear for men.

## GROUP 7: Recreation

Recreation Group increased by 0.1%. The cost of both cat food and bingo papers went up.

## GROUP 2: Alcoholic Beverages.

Alcoholic Beverage Group increased by 0.7%. The high cost of Wine contributed to the increase. Beer slightly increased as well.

## GROUP 5: Transportation

Transportation Group recorded the largest quarterly decrease of -2.9% in this quarter due to lower costs of unleaded gas, diesel and dropped airfares for the Pago to Manu'a route.

## GROUP 8: Education/Comm.

Education and Communication Group remained the same at 0.0% with no increase or decrease in tuition and school supplies.

## GROUP 3: Housing

Housing Group registered a -0.4% quarterly decrease caused by the drop in fuel surcharges in cost of electricity and water. Lower cost of gas tanks, construction materials, appliances such as microwave oven and freezer also contributed to the decline in the Housing group.

## GROUP 6: Medical Care

Medical Care Group remained at 0.0% with no fluctuations or changes in price.

## GROUP 9: Other Goods/Service

Other Goods and Services Group increased by 0.7 percent due to high cost of Tobacco and Hygiene products such as deodorant, hair shampoo and laundry detergents.

The American Samoa CPI measures price changes on a quarterly and annual basis. The American Samoa Department of Commerce conducts the CPI data price collection on the 15th of the middle month of every quarter.

For more information on the CPI calculation and methodology please see Page 4 of this newsletter or call the Department of Commerce—Statistics Division at 633-5155.



### COMPARATIVE INDEX ANALYSIS

Year	Qtr	All	Food	Alco	Housing	Apparel	Transpt.	Medical	Rec.	Ed /Com.	Others
2019	1	103.3	106.3	103.0	102.5	101.0	103.4	99.9	100.8	97.8	100.8
2018	4	103.7	106.5	102.3	102.9	100.7	106.5	99.9	100.7	97.8	100.1
2018	3	103.7	107.3	101.8	102.6	100.7	105.2	99.8	100.7	98.3	99.8
2018	2	103.0	106.4	98.8	101.7	100.6	104.9	99.9	98.9	99.2	100.0
2018	1	102.4	105.0	97.4	101.2	100.6	103.9	99.4	100.0	100.0	100.8

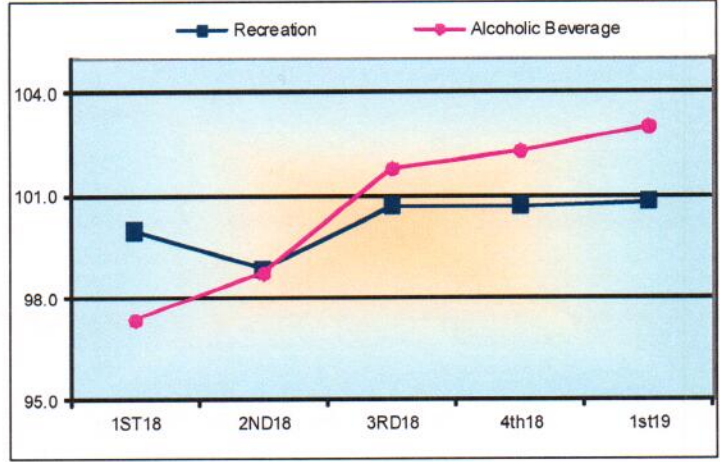
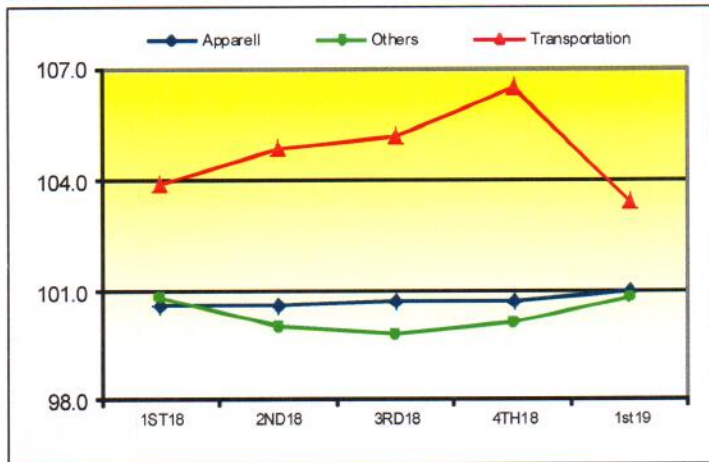
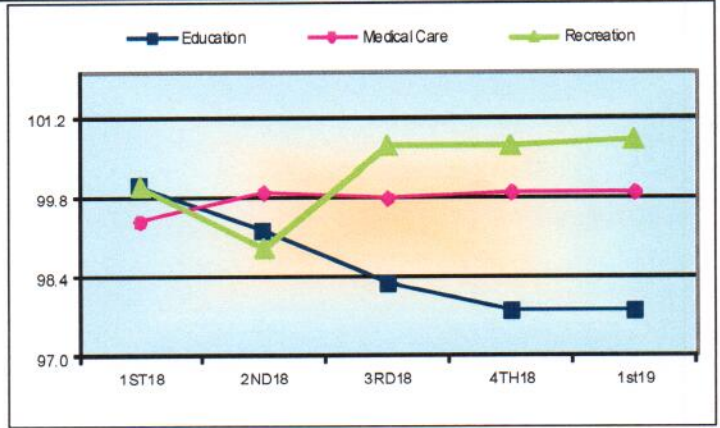
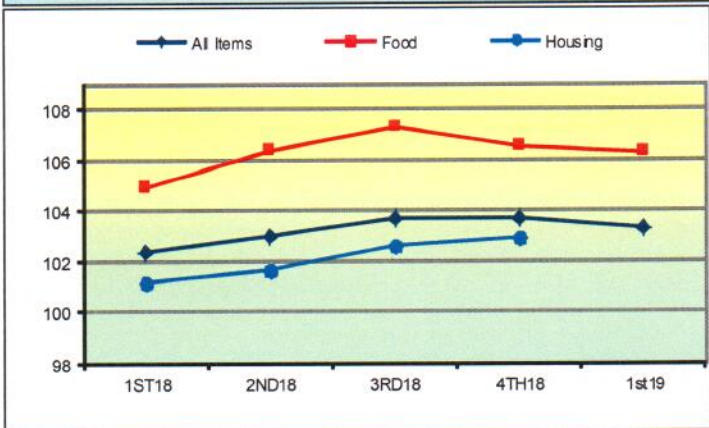
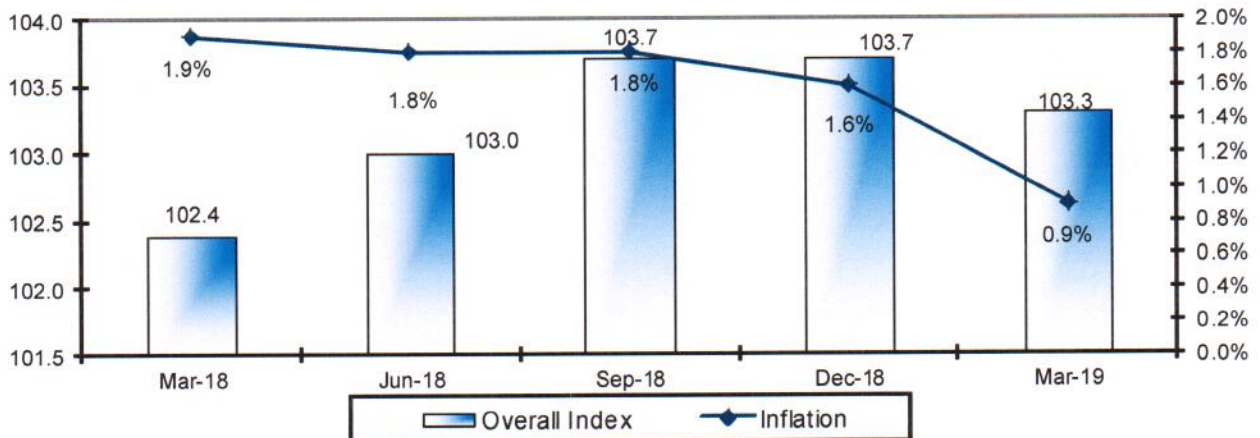


Chart 6: Quarterly Indices & Inflation Rates





**ANNUAL AND QUARTERLY AVERAGE RETAIL PRICES OF SELECTED COMMODITIES: 1st QTR 2018 - 1st QTR 2019**

Commodity	Unit	AAP 2015	AAP 2016	QAP Q1-18	QAP Q2-18	QAP Q3-18	QAP Q4-18	QAP Q1-19
Apple (pnd)	lb	1.64	1.68	1.64	1.56	1.48	1.47	1.45
Beef (chuck)	lb	3.74	3.72	3.33	3.38	3.43	3.39	3.40
Beer, Coors Light (oz)	12 fl oz	1.48	1.49	1.19	1.40	1.41	1.45	1.41
Beer, Vailima (ml)	750 ml		2.75	2.27	2.27	2.44	2.39	2.41
Bottle (LP) gas (pnd)	30 lbs	34.75	29.75	29.75	29.75	29.75	29.75	25.30
Bread (bag)	Loaf	1.36	1.51	1.99	2.14	2.16	2.16	2.18
Butter (gm)	227 gm	2.25	2.22	3.05	3.00	2.95	2.97	2.96
Chicken legs	5lb bag	5.05	4.73					
Chicken legs (Case)	22lb			12.23	11.85	11.62	10.76	10.24
Chicken-whole	lb	1.83	1.81	1.69	1.70	1.76	1.76	1.73
Cigarettes-Benson (pk)	20's	4.37	8.32	8.91	8.92	8.88	8.85	9.71
Cigarettes-Kools (pk)	20's	4.29	8.41	9.04	9.05	9.17	8.95	9.84
Cooking oil (btl)	24 fl oz	3.60	3.11	2.65	2.71	2.82	2.85	2.86
Corned beef (can)	12 oz	3.74	3.83	3.79	3.79	3.91	3.96	3.82
Electricity (kwh)	per kWh	0.29	0.26	0.32	0.32	0.35	0.35	0.34
Fresh eggs (dzn)	doz	1.97	2.05	1.65	1.71	1.73	1.69	1.61
Green banana (pnd)	lb	0.37	0.47	0.48	0.48	0.65	0.50	0.48
Mackerel (can)	15 oz	1.58	1.59	1.76	1.76	1.77	1.77	1.79
Milk, fresh (each)	Liter	1.81	1.82	1.83	1.88	1.92	1.92	1.91
Rice (bag)	40 lbs	26.71	26.42	21.98	22.28	22.73	23.06	23.28
Salt (gm)	700 gm	1.95	1.85	1.86	1.88	1.89	1.95	1.95
Sausage (packet)	lb	1.46	1.48	1.70	1.60	1.65	1.55	1.55
Soft-Drinks (can)	12 oz	0.67	0.69	0.75	0.75	0.76	0.76	0.76
Spaghetti (can)	14.75 oz	1.26	1.43	1.41	1.41	1.48	1.46	1.46
Spam (can)	12 oz	3.63	3.65	3.62	3.68	3.70	3.79	3.84
Sugar (kg)	2 kg	2.75	2.42	2.54	2.54	2.44	2.36	2.34
Taro (pnd)	lb	1.32	1.97	1.50	1.71	1.52	1.48	1.46
Tuna (can)	6.5 oz	1.71	1.76	1.98	1.97	2.07	2.08	2.08
Turkey tail (bag)	lb	1.15	1.02	1.07	1.13	1.23	1.20	1.17
Unleaded Gas (Gal)	Gallon	2.81	2.79	3.44	3.55	3.57	3.71	3.19

\*\*\* AAP = ANNUAL AVERAGE PRICES

\*\*\* QAP = QUARTERLY AVERAGE PRICES



GENERAL INFORMATION

The American Samoa Consumer Price Index (CPI) is designed to measure changes in prices of commodities and services normally purchased by the consuming community. The American Samoa CPI (like the U.S. CPI) is based on the concept of representative "market basket," a sample of goods and services that the consumer purchases. The CPI was first developed during the early part of 1974. The selection of weight distribution was based on "General Statement of Articles of Import of Merchandise into American Samoa from July 1970 - June 1971". The weight distributions was later updated using household expenditure patterns derived from a household income and expenditure survey conducted by EDPO in 1982. Since then, CPI weights were later adjusted using the 2005 HIES and now the 2015 HIES. The revised CPI in 2007 used the 2005 HIES; the 2005 HIES and rebase in 2007 helped identify new item weights and were then added to the index. The item weights determined the relative importance of each item in the CPI. With the New CPI, a total of approximately 210 items are divided into 9 major groups and sub-groups, and indices are computed at different levels of aggregations. The 2015 American Samoa Household Income and Expenditure Survey (HIES) report presents current information on demographic, social and economic characteristics of the territorial population as well as expenditure details of what families and residents spent their money on. The 2015 HIES is the fifth survey of the expenditure series since the first one in 1982.

CPI GROUPS AND WEIGHTS

	Group	No. of Items
Group	Weights	Allocated
Food	818	86
Housing	389	31
Apparel	185	18
Transportation	287	14
Other Goods	274	11
Alcoholic Beverages	131	3
Ed and Communication	101	17
Recreation	117	22
Medical Care	56	8

CPI CALCULATIONS METHODOLOGY

The index uses a system, which is known as Modified Laspeyres. This gives exactly the same result as an ordinary Laspeyres index, but the method of calculation is different. The formula for the Modified Laspeyres Index can be written as:  $I_n = (W_{n-1} \times P_n / P_{n-1})$  where  $I_n$  is the value of the index in the current period (i.e. period 'n'),  $W_{n-1}$  is the weight (or index value) of each item in the previous period (i.e. in period 'n-1'), and the fraction  $P_n / P_{n-1}$  is the price relative for each item, between the current price ( $P_n$ ) and the price in the previous quarter ( $P_{n-1}$ ).

About 1100 prices are collected during the middle month of each quarter for computing the Consumer Price Index (CPI). The total number of retail outlets that provide prices to the Statistics Division data collectors each quarter is more than 125, ranging from major retailers and grocery stores to variety of services establishments such as gas stations and snack bars.

Interpreting Index Changes

In compiling the CPI, data collectors obtain prices for those items that were selected in the item sample. For each individual item, a number of prices are collected. Each quarter, data collectors attempt to price the exact same item, or if that item is not available, an item that is of the same quality as the previously priced item. Those prices that are collected in the current quarter and are also of the same quality as the items in the previous quarter are then summed. A "price relative" is calculated by dividing the total of these "paired" prices for that item by the total of the previous prices. These respective price relatives are then multiplied by the expenditure weights in the previous quarter to derive new expenditure weights. These weights are then combined into composite expenditure groups and sub-groups.

These item weights show the relative importance of each of the items in an average household's market basket. The weights were derived from the 2005 Household Income and Expenditure Survey. These products represent the relative importance of these items from one quarter to the next. By combining these products into various groups and subgroups, the Statistics Division is able to estimate the relative price changes for groups such as Food, Housing, Medical Care, etc. and even estimate the change in subgroups such as bread and cereals, fruits and vegetables, and other subgroups within each major group. As in most countries, the CPI in American Samoa is the government's principle measure of inflation or deflation. By knowing what price changes are occurring for the 9 major groups in the CPI, the government's decision makers, academics and news media can understand if retail prices are rising and how fast, and can take action to try and mitigate undesirable price changes by modifying government policies.